Meeting: 07/16/14 Agenda Item No. 12



City of Santa Barbara Airport Department

DATE:

July 16, 2014

TO:

Airport Commission

FROM:

Hazel Johns, Airport Director

SUBJECT:

Lease Agreement with Above All Aviation

RECOMMENDATION:

That Commission authorize the Airport Director to execute a two year lease agreement with Above All Aviation, a California "C" Corporation, effective August 1, 2014 and ending July 31, 2016, for 18,691 square feet of aviation ramp, including one 3,522 square foot hangar and one 3,000 square foot hangar, at 101 Cyril Hartley Place, for a monthly rental of \$4,016 per month exclusive of utilities.

DISCUSSION:

Background

The Federal Aviation Administration (FAA) places the responsibility for the operation, maintenance, and capital improvement of aviation buildings and facilities with the Airport operator. As such, the Santa Barbara Airport is committed to encouraging the provision of quality on-Airport services such as flight schools and general aviation maintenance.

Accurate Aviation, Inc. had been providing general aviation services at 101 Cyril Hartley Place, first as a subtenant of Stratman Aero Space, and later as an individual leaseholder. Accurate subsequently determined that is was in the best interests of the company to focus on avionics and divest themselves of the general aviation (GA) maintenance portion of the business. Accurate continues to provide avionics services as an Atlantic subtenant in Hangar 5, at 204 William Moffet Place. The property at 101 Hartley Place was relinquished to the City on September 30, 2013 and the lease terminated.

October 10, 2013, the Airport issued an RFP for general aviation maintenance services, believing that the general aviation community would be best served by having the facilities continue to be used for GA aircraft maintenance. December 18, 2013, Airport Commission approved the award of a lease to Coastal Aircraft Maintenance, Inc.

In the course of subsequent lease negotiations with Coastal, it became apparent that the uses for the facilities planned by Coastal exceeded the permitted uses stated in the RFP. Coastal

was firm in its assertion that the facility could not sustain itself as a general aviation maintenance facility alone.

After additional discussion with the General Aviation Subcommittee, the Airport declined to enter into a lease with Coastal, and issued a new RFP allowing the provision of multiple uses in the facility. This action was taken recognizing that if multiple uses had been allowed under the terms of the initial RFP, other prospective service providers might have proposed.

RFP for Commercial Aeronautical Services

In May 2014, a Request for Proposals for the facilities at 101 Cyril Hartley Place encompassing 18,691 square feet of ramp (including two adjacent hangars and six tie-downs) and seven parking spaces was sent to providers of general aviation services on the field and advertised on the SWAAAE and Santa Barbara Airport websites.

A mandatory pre-bid meeting was held at Airport Administration on May 27, 2014. Three companies were represented. Two subsequent addenda were issued following the pre-bid meeting to provide written answers to questions submitted by the attendees and to provide a format for the proposal document. Only one proposal, from Above All Aviation, was received by the June 16, 2014 deadline for submissions.

Above All Aviation Proposal

Above All Aviation's proposal was evaluated for completeness, ability to perform the proposed services, financial status and experience.

Above All Aviation has been providing flight instruction, aircraft rental, and maintaining their owned or leased aircraft at the Santa Barbara Airport since January 2010. They propose to continue to provide flight instruction in Building 313 at 1523 Cecil Cook Place, under a sublease agreement with Signature Flight Support. The flight simulator and maintenance activities currently performed in Hangar 1 will be relocated to the new premises at 101 Cyril Hartley Place.

In addition, they plan to use the Hartley Place premises for the storage of aircraft, tie-down rental, aircraft brokerage, and aircraft management services. In the future, they would like the ability to expand the use to include charter and air taxi operations, and avionics services. Above All intends to expand its hours of operation to 9 a.m. to 5 p.m. seven days a week for flight training and maintenance overflow.

Airport Staff reviewed the proposal and concluded that Above All Aviation's proposal met the criteria established in the RFP, including experience and technical qualifications, financial references, and a business plan and proposed budget.

PREPARED BY: Business & Property Division

ATTACHEMENT: Map

